Subsidy, to what extent?

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Background

Rural Sanitation is one of the Government of India's (GOI) important programmes in the current five year plan (1992-97). Compared to its Rural Water Supply Programme, which carries a very high political commitment, Rural Sanitation was a late starter, though, it was included under the "20 Point Programme" in 1985-86. Centrally Sponsored Rural Sanitation Programme (CRSP) has been in operation since then. As it happened in many developing countries, in India too, the CRSP was launched with a high subsidy based service delivery.

Challenge

Can India with a rural population of 627 million people (1991) afford to provide subsidy for its Rural Sanitation Programme? Let us consider the achievement status at the end of 1990, at which point the government estimates a 3% coverage in Rural Sanitation. If this trend continues then achieving global goal i.e. universal access to sanitary means of excreta disposal by 2000 is going to be a major challenge for India. Fund requirement to reach the Global Goal for Rural Sanitation is estimated to be Rs.300 billion (US $ 10 billion) which is far beyond any proximity. The eventual questions are “Will it be possible to provide this basic facility to the families?” “How long will it require?” “What about the improvement of quality of life of rural inhabitants?” And so on. However, a survey conducted by the National Sample Survey (NSS 1988-89) has revealed that around 11% households have latrine facilities. The incremental 8% (excess over 3% coverage through government programme) can therefore, be attributed to private sector and can be considered as a spread effect of the government programme. The private sector thus possesses more potential in terms of providing services to the community for adopting sanitation practices. This has been a eye opener for the policy makers.

Alternate approaches

UNICEF provides support to the Rural Water Supply & Sanitation programme in India. Although in financial terms this support is very low (2-3% of the total outlay) its strategy has been very useful in bringing qualitative improvement in programme delivery. Demonstration projects undertaken with UNICEF collaboration has shown a distinct difference in terms of cost effectiveness and enhanced community participation through alternate approaches and has indicated a fair possibility for wider coverage. Alternate delivery systems, package concept of sanitation and appropriate technology promotion with a back up support of Information Education Communication & Social Mobilisation have been the main features of these demonstration projects. The experiences thus gathered can be categorized into three major groups i.e:

a) Latrines could be constructed with nominal subsidy,

b) NGOs can promote sanitation without any subsidy for construction and

c) Sanitation promotion is commercially viable.

Eventually there has been a little shift from the conventional approach and methodology for implementing the sanitation programme.

IERT initiative

Under the GOI Rural Sanitation programme the two pit pour flush latrine is being promoted. In case of Uttar Pradesh state the estimated construction cost of such latrine is about Rs. 1500 (excluding roof and door of the superstructure) of which Rs. 1200 has been subsidized by the government while the beneficiary family pays Rs. 300. As a shift from this approach Institute of Engineering and Rural Technology (IERT), Allahabad demonstrated sanitation promotion through reduced subsidy at the rate of Rs. 450 per latrine. To achieve this the IERT through its community polytechnic system utilized the voluntary work force (Health Workers) in its extension areas. While the sub-structure of the latrine followed a standard design, the selection of superstructure was left with the beneficiary families. Of course a range of superstructure designs including their cost implication, labor intensiveness in construction and also the limitations were explained to the interested families. The beneficiary families, based on their best judgement, selected the design for the superstructure. In most of the cases the family members themselves constructed the respective superstructure. On completion of the construction work they were reimbursed with the subsidy component.

CAT initiative

Centre for Appropriate Technology (CAT) in Kanyakumari district of Tamil Nadu also demonstrated a similar approach. The CAT is a voluntary organization whose major work is in the fishing villages, majority of the habitants of which belong to the economically weaker section. CAT
promoted pour flush off set single pit design through its extension workers. In this case the estimated construction cost is Rs. 2000, against which a subsidy of only Rs. 500 was provided. The interested families were provided with the design, possible option of construction materials for both sub structure and superstructure and also with a list of trained mason. The families either utilized the mason directly or they entrusted CAT to undertake the construction work. In this case too, the subsidy component was reimbursed after the construction work was complete. In some cases CAT also arranged bank loans for the families, payable in instalment with soft interest.

**RKM initiative**

In Medinipur, West Bengal, a sanitation project was implemented through an NGO, Rama Krishna Mission (RKM) which followed a different approach altogether. RKM utilized the network of village youth clubs and women voluntary groups for implementing this strategy. The uniqueness of the project is the full cost sharing by the families for construction of sanitation facilities. Medinipur project provides variety of technological options (10 designs of latrines with cost ranging between Rs. 230 - Rs.3000) to suit the different socio-economic segments of population. These options must provide water seal pans of any kind which ensure maintaining sanitary quality. A sound IEC backup and an in-built credit facility for construction attracted even the poor farmers to have their own latrines. A recent quick survey conducted in 17 villages of 8 blocks in Medinipur shows that about 79% of the families opted for the designs in the cost range Rs.230 - 280, while 2% opted for designs in the cost range of Rs.500 - 700, leaving 19% who opted for designs in the cost range Rs.750 - 3000. Survey also reveals that more than 60% of the families who constructed their latrines fall below poverty line. The lesson learnt therefore is, that if a motivated community is provided with the right technological option then financial capabilities are not a barrier to sanitation promotion.

**RSM initiative**

Rural Sanitary Mart (RSM) is another approach to develop an alternate delivery system to facilitate improved rural sanitation coverage. The RSM is a retail outlet dealing not only with the materials required for construction of latrines and other sanitary facilities but also with those which are required as a part of the Sanitation Package. Besides, the RSM also serves as a counselling centre for creating demand amongst the potential buyers. For this purpose, it maintains a stock of models and manuals on sanitation facilities. Thus the RSM is, in a way, a service center too. Uttar Pradesh has been the first state to start establishing RSMs in 1991, through Panchayat Udyog (cooperative society) which is a Rural Industrial Complex promoted by a group of Gram Panchayats (Village Council). The state has now 12 such Kendras located at selected places. While all these units are engaged in manufacturing mosaic pan/trap and pit cover, some of them also produce items like cattle trough, fuel-efficient chulha, food safe, footwear, water drum, storage bins, roof and door for latrines, hand-molded fibre glass pan and trap, and so on. RSM receives a support @ 25% of yearly turnover as seed capital. In addition, a managerial support for 2 years and lump sum support for marketing are also provided.

Experiences of an RSM at Bakkas (Lucknow district) show that promotional costs for latrine construction is as less as Rs. 50 per unit (family) which in comparison to the total business made, appeared to be commercially viable. Based on the feedback received from Uttar Pradesh RSMs have been established in Rajasthan, Orissa and Delhi. Government of India already issued a memorandum requesting State Governments to try RSM approach. With further strengthening the communication and social mobilisation components, RSMs possess a great potential for promoting sanitation and safe water and these also may establish linkages with control of diarrhoeal diseases.

**Opportunity**

These experiments have largely influenced in redressal of the whole sector by the government. One main achievement has been that recently the government has decided not to provide subsidy for latrine construction for the population segment who are above poverty line. The present thinking amongst the policy makers is to underplay the role of subsidy in the promotion of sanitation. Rather, sanitation is to be taken as a people's movement to be adopted in their way of life.

**Reference**

Rural Sanitation


LAVATORY COVERAGE (1990)

Govt Prog
5%

Private Sector
8%

No Latrines
88%

CHALLENGE AHEAD

160 MILLION FAMILIES
300 BILLION DOLLARS
(10 BILLION US $)

Figure 1.

Medinipur Experience

Adopted Designs by Cost Range

Rs.750 - Rs.3000
19.06%

Rs.550 - Rs.760
2.34%

Rs.230 - Rs.280
78.57%

Figure 2.

Medinipur Experience

Latrine Construction by Income Range

Poverty Line

Monthly Family Income

Figure 3.